

PRESS RELEASE

Refinery Strike May Impact Oilexco Production

Calgary, Canada, April 25, 2007 - Oilexco Incorporated (“Oilexco” or the “Company”) (LSE: **OIL**; TSX: **OIL**) cautions that production from its fields in the Balmoral area, including the Brenda/Nicol and Balmoral fields, may be impacted as a result of a labour dispute involving a refinery on the Scottish mainland. The Company has been informed by BP, the owner and operator of the Forties Pipeline System, that a labour dispute at the Ineos owned Grangemouth refinery could impact the transportation of oil through the pipeline. Oilexco is the operator of the Balmoral Floating Production Vessel which currently ships approximately 21, 500 barrels of oil per day through the Forties Pipeline System.

Oilexco has been advised that unionized workers at the Grangemouth refinery have threatened to hold a two day strike beginning on April 27th. The Forties Pipeline System relies on steam and power that is supplied by the Ineos site. According to BP, it is not yet clear if the necessary utilities to operate the pipeline will be withdrawn should the strike proceed. As a precautionary measure and in preparation for a strike, BP has advised producers who use the pipeline that if BP does not receive confirmation from Ineos that the necessary utilities to operate the Forties Pipeline System will continue during a strike, it will initiate the process for a planned shut down of the pipeline beginning April 26th. BP has advised producers that it will take up to 48 hours for the pipeline to resume full operations once the strike concludes. Oilexco does not anticipate that this production shut down will have any effect on its other operations.

About the Company

Oilexco is an oil and gas exploration and production company active in the United Kingdom. Oilexco’s producing properties, exploration and development activities are located in the UK Central North Sea, specifically in the Outer Moray Firth and Central Graben areas. Oilexco operates in the United Kingdom through its wholly owned subsidiary, Oilexco North Sea, a company registered under the laws of England and Wales. Oilexco shares are listed for trading on the London Stock Exchange (LSE) and the Toronto Stock Exchange (TSX) under the symbol “OIL”.

Forward Looking Statements

This disclosure contains certain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond Oilexco’s control, including: the impact of general economic conditions in the areas in which Oilexco operates, civil unrest, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of

qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition there are risks and uncertainties associated with oil and gas operations, therefore Oilexco's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, which Oilexco will derive therefrom. All statements included in this press release that address activities, events or developments that Oilexco expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements include future production rates, completion and production timetables and costs to complete wells, and production facilities. These statements are based on assumptions made by Oilexco based on its experience perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances.

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